

## Message Text

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21

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 AGR-05 COME-00 SP-02 AID-05

NSC-05 CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01

XMB-02 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-03 NSAE-00

PA-01 PRS-01 USIA-06 /082 W  
----- 127134

R 190802Z JUL 75

FM AMEMBASSY RABAT

TO SECSTATE WASHDC 6019

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E.O. 11652: N/A

TAGS: EAID CA MO

SUBJ: PL-480 TITLE I AND CCC CREDIT REQUESTS: MOROCCO

REF: (A) STATE 165585, (B) RABAT 3372 AND PREVIOUS

1. FOLLOWING IS ROUGH BREAKDOWN OF MOROCCAN WHEAT IMPORTS  
FOR FY 76 AS PROVIDED BY MOROCCAN NATIONAL CEREALS OFFICE:

A. MINIMUM QUANTITY OF WHEAT MOROCCO WILL WANT TO IMPORT:

1,600,000 MT

B. PORTIONS ALREADY CONTRACTED FOR FROM NON-US SOURCES (ALL  
ON CASH BASIS):

EC 290,000 MT

CANADA 110,000 MT

SHORTFALL TO BE COVERED: 1,200,000 MT

2. ADOPTING AID'S CONGRESSIONAL PRESENTATION FIGURES AS  
BASIS FOR CALCULATION, EMBASSY ARRIVES AT FOLLOWING MINIMUM  
ESTIMATE OF REMAINING NEEDS:

TOTAL NEEDS (PER CEREALS OFFICE) 1,600,000 MT

EC/CANADA 400,000 MT

US TITLE I ANC CCC CREDITS (PROVISIONAL) 325,000 MT

REMAINING SHORTFALL 875,000 MT

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BASED ON PAST TRADE PATTERNS, UP TO HALF OF THIS WOULD BE

PURCHASED OUTSIDE US. WE UNDERSTAND SOME US COMMERCIAL CONTRACTS ALREADY MADE.

3. AS REPORTED REF (B), MINISTER OF FINANCE--WHO IS SOURCE OF ORIGINAL WHEAT REQUEST AND WHOSE SECRETARIAT HAS PROVIDED MOST OF NEEDED FIGURES--SAYS CURRENTLY ESTIMATED TOTAL NEED IS 2.2 MILLION MT (ORIGINAL REQUEST WAS FOR 3 MILLION MT). EVEN REDUCING 2.2 MILLION MT FIGURE BY 400,000 MT FROM NON-RECONSTITUTION OF STOCKS, AND TAKING INTO ACCOUNT EC AND CANADIAN PURCHASES, THIS WILL REFLECT A REMAINING SHORTFALL OF 1.075 MILLION MT RATHER THAN ABOVE 875,000 MT BASED ON LOWER CEREAL'S OFFICE FIGURE. IN ATTEMPT TO RECONCILE DISCREPANCY, USAID AND CONGEN CASABLANCA CHECKED INDEPENDENTLY WITH INFORMED TRADE CONTACTS. USAID SOURCE REPORTS GOM INTENT TO IMPORT 1.8 MILLION MT, CONFIRMING OUR ESTIMATE BASED ON MIN FIN DATA. CONGEN SOURCE REPORTS 1.7 MILLION MT, NICELY SPLITTING DIFFERENCE.

4. HOWEVER ONE GOES ABOUT RECONCILING OR CHOSSING AMONG NEEDS ESTIMATES, FIGURES BEING PROVISIONALLY DISCUSSED IN WASHINGTON DO NOT COME CLOSE TO MEETING REMAINING GOM REQUIREMENTS. AS PREVIOUSLY REPORTED, GOM CAN AND WILL OBTAIN WHEAT TO PREVENT STARVATION: FOR CASH IF NECESSARY. BUT TO FORCE GOM INTO PAST ACQUISITION PATTERN, UNDER WHICH UP TO HALF OF REMAINING 1.075 MILLION MT, OR ALTERNATIVELY 875,000 MT, WOULD BE PURCHASED OUTSIDE US FOR CASH WOULD IMPOSE ENORMOUS ADDITIONAL FINANCIAL STRAIN ON BALANCE OF PAYMENTS WHICH WILL ALREADY BE IN SEVERE DEFICIT THIS YEAR (SEE REF (B)). MINFIN URGENCY IN REQUESTING US TITLE I AND CCC ASSISTANCE IS BASED ON WORRISOME SOCIAL AND POLITICAL CONSEQUENCES ARISING FROM FURTHER CUTBACKS IN ALREADY REVISED DEVELOPMENT PLAN IF OUTSIDE FINANCING FOR GRAIN IMPORT NEEDS CANNOT BE ARRANGED.

5. WE FULLY UNDERSTAND, AS CONVEYED IN STATE 165585, THAT US DECISION WHETHER TO MINIMIZE CCC CREDIT BY FORCING GOM TO BUY MORE WHEAT IN CANADA, EUROPE OR ELSEWHERE, OR TO OFFER SOMETHING NEARER FIGURES RECOMMENDED BY COUNTRY TEAM, DEPENDS ON SIZE OF US HARVEST AND CONSEQUENT IMPORTANCE OF PUSHING WHEAT SALES OR RATIONING THEM. BASED ON OUR UNDERSTANDING LIMITED OFFICIAL USE

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OF US HARVEST OUTLOOK AND ASSESSMENT OF ECONOMIC SITUATION HERE, COUNTRY TEAM STICKS BY ORIGINAL RECOMMENDATION OF 200,000 MT TITLE I AND CCC CREDITS FOR FURTHER ONE MILLION MT.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** WHEAT, PL 480 TITLE 1, AGRICULTURAL FINANCE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
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**Reference:** 75 STATE 165585, 75 RABAT 3372  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 AUG 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18 AUG 2003 by BoyleJA>; APPROVED <03 DEC 2003 by greeneet>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PL-480 TITLE I AND CCC CREDIT REQUESTS: MOROCCO  
**TAGS:** EAID, CA, MO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006